

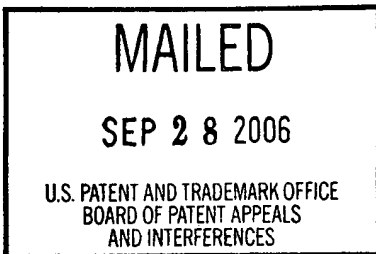
The opinion in support of the decision being entered today was not written for publication and is not binding precedent of the Board.

## UNITED STATES PATENT AND TRADEMARK OFFICE

---

### BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES

---



Ex parte BEN SIMON SAMSON,  
JEFFREY PAUL LAFOREST and  
ROBERT PRESTON HORNSBY

---

Appeal No. 2006-1338  
Application No. 09/711,183  
Technology Center 3600

---

ON BRIEF

---

Before CRAWFORD, LEVY and NAPPI, Administrative Patent Judges.  
CRAWFORD, Administrative Patent Judge.

### DECISION ON APPEAL

This is a decision on appeal from the examiner's final rejection of claims 1 to 22,  
which are all of the claims pending in this application.

The appellants' invention relates to a consumer incentive system and more particularly relates to online incentives for auction bidders (specification, p. 1). A copy of the claims under appeal is set forth in the appendix to the appellants' brief.

The prior art

The prior art references of record relied upon by the examiner in rejecting the appealed claims are:

Deaton et al. (Deaton)	5,687,322	Nov. 11, 1997
Walker et al. (Walker)	5,862,223	Jan. 19, 1999
Hammons et al. (Hammons)	6,477,509	Nov. 05, 2002 (Filed Jan. 06, 2000)

The rejections

Claims 1 to 18, 20 and 22 stand rejected under 35 U.S.C. § 101 as being directed to non-statutory subject matter<sup>1</sup>.

Claims 1, 7 to 11, 13 to 17 and 19 to 22 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Hammons.

Claims 2, 4, 5, 6, 12 and 18 stand rejected under 35 U.S.C. § 103 as being unpatentable over Hammons in view of Deaton.

---

<sup>1</sup> Claim 20 was not listed in the answer as being rejected under 35 U.S.C. § 101 in the statement of the rejections. However, claim 20 was discussed in the body of the answer in regard to a rejection under 35 U.S.C. § 101. Appellants addressed the rejection of claim 20 under 35 U.S.C. § 101 (brief at page 25). Therefore we assume that the absence of this claim in the statement of the rejections was an oversight and as such, we will address the rejection of this claim under 35 U.S.C. § 101.

Claim 3 stands rejected under 35 U.S.C. § 103 as being unpatentable over Hammons in view of Walker.

Rather than reiterate the conflicting viewpoints advanced by the examiner and the appellants regarding the above-noted rejections, we make reference to the answer (mailed June 21, 2005) for the examiner's complete reasoning in support of the rejections, and to the brief (filed April 20, 2005) for the appellants' arguments thereagainst.

#### OPINION

In reaching our decision in this appeal, we have given careful consideration to the appellants' specification and claims, to the applied prior art references, and to the respective positions articulated by the appellants and the examiner. As a consequence of our review, we make the determinations which follow.

At the outset, we note that the appellants have requested that the After-Final Amendment be entered. We will not address this request because this issue must be addressed via a petition pursuant to 37 CFR § 1.181.

We turn first to the examiner's rejection under 35 U.S.C. § 101. In regard to claims 1 to 18 and 20 and 22 the examiner is of the view in regard to claims 1 to 18 that the claims do not comply with 35 U.S.C. § 101 because the claims have no connection to the technological arts.

We will not sustain this rejection as it is directed to claims 1 to 18.

In our recent precedential decision in Ex parte Lungren, 76 USPQ2d 1385 (Bd.

Pat. App. & Int. 2005), we established that “there is currently no judicially recognized separate ‘technological arts’ test to determine patent eligible subject matter under §101” Lungren at 76 USPQ2d 1388. Thus, we find that the examiner’s rejection is ill founded. Accordingly, we hold that the examiner has not established sufficient facts or analysis to support a rejection under 35 U.S.C. § 101 and will not sustain the examiner’s rejection of claims 1 through 18 under 35 U.S.C. § 101.

In regard to claims 20 and 22, the examiner is of the opinion that the subject matter of the claims does not comply with 35 U.S.C. § 101 because the subject matter of the claims is non-functional descriptive material. We agree. The subject matter of claim 20 and 22 relates solely to descriptive material that is stored on an electronic memory and is not functionally interrelated to a computer-readable memory. See In re Warmerdam, 33 F.3d 1354, 1358, 31 USPQ2d 1754, 1757 (Fed. Cir. 1994). Therefore, we will sustain the examiner's rejection as to these claims.

We turn next to the examiner's rejection of claims 1, 7 to 11, 13 to 17, and 19 to 22 under 35 U.S.C. §103 as being unpatentable over Hammons. We initially note that in rejecting claims under 35 U.S.C. § 103, the examiner bears the initial burden of presenting a prima facie case of obviousness. See In re Rijckaert, 9 F.3d 1531, 1532, 28 USPQ2d 1955, 1956 (Fed. Cir. 1993). A prima facie case of obviousness is established by presenting evidence that the reference teachings would appear to be sufficient for one of ordinary skill in the relevant art having the references before him to

The examiner's findings in regard to this rejection can be found on pages 7 to 9 of the answer. In regard to the recitation in claim 1 of creating a consumer profile which includes at least information relating to a bid on an auction item, the examiner states:

. . . because Hammons discloses that all user Internet actions, including viewing products, purchasing, and utilizing the Internet in a variety of ways, are monitored and tracked and added to a user profile and because Hammons discloses that users participate in Internet auctions and makes bids, it would [have been] obvious to one skilled in the art that user profile information includes information related to bids on an Internet auction item. One would have been motivated to do this to provide a complete profile of user activity to enable better user targeting [answer at page 9].

The examiner relies on the disclosure at column 10, lines 3 to 7 of Hammons, that user's activities are monitored and each action of the user is recorded and fed back to the computer for analysis. This disclosure, however, does not state that the information regarding the user activity is fed back to the user's profile. Hammons discloses that the user profile is utilized to target users for viewing advertisement (see col. 3, lines 9 to 16) and while stating that user activities are monitored and analyzed, Hammons does not state that the user activities are added to the user profile. In addition, although Hammons does mention methods involving bidding (col. 1, lines 15 to 16) and that items up for auction may be shown to the user (col. 9, lines 43 to 54), Hammons does not disclose that bid activity is added to the user profile.

In addition, Hammons does not describe generating an incentive based on the consumer profile or choosing one unsold item from an inventory based on the information in the consumer profile. The consumer profile in Hammons is utilized to

better target users for advertisement not to generate a particular incentive or choose an unsold item.

In view of the foregoing, we will not sustain this rejection as it is directed to claim 1 and claims 7 to 11, 13 to 17 dependent thereon.

Claim 19 also recites that an incentive is generated based on consumer information. Therefore, we will not sustain this rejection as it is directed to claim 19.

We will sustain this rejection as to claims 20 and 22 because each of these claims recites only descriptive non-functional subject matter that is not entitled to patentable weight.

We will not sustain the rejections of the remaining claims, which are dependent on claim 1, under 35 U.S.C. § 103 because each of the other rejections relies on Hammons for teaching the subject matter of claim 1.

In summary:

The examiner's rejection of claims 1 to 18 and 21 as being unpatentable under 35 U.S.C. § 101 is reversed.

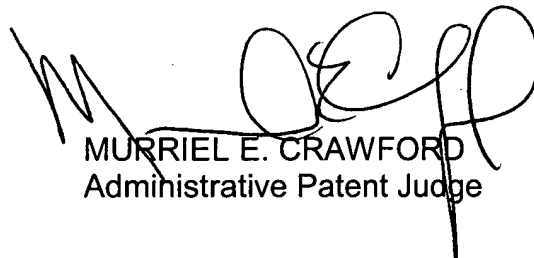
The examiner's rejection of claims 20 to 22 as being unpatentable over 35 U.S.C. § 101 is sustained.

The examiner's rejections of claims 1 to 19 under 35 U.S.C. § 103 are reversed.

The examiner's rejection of claims 20 to 22 under 35 U.S.C. § 103 is sustained.

No time period for taking any subsequent action in connection with this appeal  
may be extended under 37 CFR § 1.136(a) (1) (iv).


AFFIRMED-IN-PART



MURRIEL E. CRAWFORD  
Administrative Patent Judge



STUART S. LEVY  
Administrative Patent Judge



ROBERT E. NAPPI  
Administrative Patent Judge

)  
)  
)  
)  
)  
) BOARD OF PATENT  
) APPEALS  
) AND  
) INTERFERENCES  
)  
)  
)  
)  
)

MEC/vsh

Appeal No. 2006-1338  
Serial No. 09/711,183

Page 8

JEFFREY P. LA FOREST  
196 HIGHLANDS DRIVE  
CANTON, MI 48188